

We will, therefore, implement the following incentive plan:

Tier I

If BA-PA violates a metric within a thirty (30)-day period and a CLEC (and by extension its customer) does not receive a service, then the CLEC is to receive its actual, out-of-pocket payment on a pro-rated basis.

No liquidated damages are available for this first month, but that should not be misconstrued as a waiver of enforcement. In fact, and the provisions of these remedies notwithstanding, this Commission retains full authority to impose penalties available under Section 3301 of the Pennsylvania Public Utility Code, particularly if a CLEC demonstrates intentional violations of a metric by BA-PA.

Tier II

If the complained-of behavior and a metric violation persists beyond thirty (30) days, then the CLEC is to receive its actual, out-of-pocket payment on a pro-rated basis. Beyond thirty (30) days but prior to sixty (60) days, liquidated damages in the amount of \$2,000 per metric violated, per affected CLEC, will also be paid. These liquidated damages are not available to the CLECs unaffected by the performance deficiency. It is not our intent to create a sort of "class award" to the CLECs when not all the CLECs may be adversely affected by the performance deficiency.

If the complained-of behavior and metric violation persist beyond sixty (60) days, then a second liquidated damage penalty of \$4,000 will be imposed per metric violated, per affected CLEC. These liquidated damages are not available to CLECs unaffected by the performance deficiency.

If the complained-of behavior and metric violation persist beyond ninety (90) days, or if more than five (5) different metrics per CLEC are alleged to have been violated, then the Parties are required to make a filing with this Commission detailing, with specificity, the nature of the problem and all efforts to correct the same. BA-PA will be free to argue such defenses as immateriality. We hasten to add, however, that any argument for the return of damages paid carries with it a high burden of persuasion on the part of BA-PA. By contrast, the CLEC may argue for greater damages up to \$25,000 per month.

All pro-rated payments and liquidated damages “flow” back to the affected CLEC according to federal law rather than to the Commonwealth General Fund.

Tier III

If the violation of the metric complained of is an industry-wide problem within the Commonwealth, then in addition to the remedies described at Tier II, the violation of a metric beyond ninety (90) days may trigger the request by this Commission to the FCC for the authority to restrict BA-PA’s entry into the long distance market on a geographic basis, for a period of time, or both. The Commission will immediately petition the FCC to establish the proper procedure for such a request in order that Tier III controls will be in place prior to BA-PA’s Section 271 Application.

In the event that the FCC refuses to grant a request for preclusion authority or delays consideration of the request, then the Commission may reconsider the establishment of a statewide Universal Service Fund contribution at the levels and according to the formula set forth in the Recommended Decision.

Finally, these performance measures, standards and remedies shall be effective, consistent with the provisions of this Opinion and Order and continue beyond the filing and resolution of any Section 271 proceeding commenced by BA-PA.

B. Section 271 Application

1. Parties' Positions

AT&T maintained that, if system-wide failures were found, the Commission should not support BA-PA's Section 271 Application. AT&T also advocated that, if systemic failures are discovered after BA-PA has been granted Section 271 authority, the Commission should petition the FCC to revoke or suspend BA-PA's Section 271 authority. (AT&T M.B., p. 76).

MCIW asserted that, if Tier II penalties are invoked, the Commission not support BA-PA's Section 271 Application. MCIW added that, if Section 271 authority has already been granted by the FCC, the Commission should initiate an investigation into the quality of BA-PA's service. (MCIW St. 1.0, p. 14).

Sprint/United asserted that, as a Regional Bell Operating Company (RBOC), BA-PA has additional obligations under Section 271. Sprint/United argued that, if an RBOC having Section 271 authority exhibits a repeat pattern of providing disparate service, the RBOC should automatically lose its right to sell in-region interLATA toll service (i.e., sell long distance service to new customers). Sprint/United claimed that in order to regain authority, the RBOC has the burden of demonstrating that its operations have been corrected and that it is now providing parity service. According to



COMMONWEALTH OF PENNSYLVANIA

PUBLIC UTILITY COMMISSION

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Consultative report on Application of : Docket No.
Verizon Pennsylvania Inc. for FCC : M-00001435
authorization to provide In-Region, :
InterLATA Service in Pennsylvania. :
 Track A Module 1 - Interconnection, :
 Unbundled Network Elements and :
 Collocation. :
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 Further Technical Conference. :
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Pages 1 through 386

Hearing Room 1
 Commonwealth Keystone Building
 Harrisburg, Pennsylvania

Thursday, March 1, 2001

Met, pursuant to adjournment, at 9:15 a.m.

BEFORE:

WAYNE L. WEISMANDEL, Administrative Law Judge
 MICHAEL C. SCHNIERLE, Administrative Law Judge

APPEARANCES:

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 DANIEL MONAGLE, Esquire
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Commonwealth Reporting Company, Inc.

700 Lisburn Road
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effective way to proceed with respect to White Pages by
calling a Verizon witness, Renie Spriggs -- is that correct?

MR. MONAGLE: Renie, Your Honor.

MS. SPRIGGS: Renie.

JUDGE WEISMANDEL: Renie. Thank you, ma'am.

Renie Spriggs, and she has a presentation that should
address a number of the items and staff believes will
provide a foundation for any further questioning and
comments.

So without any further ado, unless someone has any
other preliminary matters that we need to care for --

(No response.)

JUDGE WEISMANDEL: Apparently not.

Ms. Spriggs, could I ask you to stand and raise your
right hand, please?

Whereupon,

RENIE SPRIGGS

was duly sworn.

JUDGE WEISMANDEL: Thank you. Please be seated,
ma'am.

MR. MONAGLE: Ms. Spriggs, will you please state your
name for the record?

MS. SPRIGGS: I'm Renie Spriggs.

MR. MONAGLE: What is your position with Verizon?

MS. SPRIGGS: I'm a Director of Wholesale Quality

Assurance.

MR. MONAGLE: What are your responsibilities in that position?

MS. SPRIGGS: I accurately review all the metrics that are reported across the region to various jurisdictions.

MR. MONAGLE: In conjunction with TISOC operations?

MS. SPRIGGS: In conjunction with TISOC and all operations across Verizon.

MR. MONAGLE: Prior to your present position, what was your position with Verizon?

MS. SPRIGGS: I was the director of the TISOC in the Mid-Atlantic States.

MR. MONAGLE: And that included Pennsylvania, obviously?

MS. SPRIGGS: Yes, it did.

MR. MONAGLE: Have you prepared an overview of Verizon's White Pages directory listings process for CLECs?

MS. SPRIGGS: Yes, I have.

MR. MONAGLE: Your Honor, may we have this marked as an exhibit? This is a presentation that Ms. Spriggs is going to give. I don't know if we have any order of exhibit numbers, Your Honor.

JUDGE WEISMANDEL: We had a 1 last evening -- well, did we? Was that Verizon or AT&T 1?

1 set to make sure everybody is on board. LSRs are received
2 by GUI or EDI and what happens --

3 MR. MONAGLE: Could you define --

4 MS. SPRIGGS: I'm sorry; the web GUI is the generic
5 user interface. Our customers actually send us LSRs using
6 our GUI application, or they can send us LSRs using EDI,
7 which is an application-to-application transaction. We
8 started out three years ago receiving faxes, the LSRs were
9 sent to us via fax 100 percent of the time. Today, however,
10 we don't receive faxes, literally do not receive faxes;
11 everything comes through the GUI or by EDI.

12 Once the CLEC releases the LSR to the Verizon
13 systems, it hits our gateway system, and at the gateway
14 system a determination is made whether or not this LSR can
15 flow through to completion untouched by human hands. A good
16 percentage of our LSRs, a little less than half of our LSRs,
17 do flow through to completion without intervention of human
18 hands. If the LSR is coming through the gateway and it does
19 comply with the flow-through category, it actually goes to
20 our service order generator and, in the case of
21 Pennsylvania, through SOP/DOE and out to our service order
22 access system where a confirmation is returned to our
23 customer. If the order does not comply with the flow-
24 through criteria, it is then dropped to the TISOC, the
25 operations center, where the service order is processed by

the service representative.

We want to focus mainly this morning on those manual processed orders.

First, let's size the issue. What are we talking about? For resale, from February to January of this year, the volume of resale, 6 percent were new connects and 94 percent were migrations. That's an important number because for migrations these orders can actually be identified as a retained listing service order, and if a listing is retained, then it just flows straight through to directory, very little chance of error; even though a human is actually manually processing that particular order, very little chance of error because the listing can be retained if the customer is being migrated from Verizon to you, our customer.

For platform, you can see that 3 percent are new connects, but 97 percent in a year's time is all migration, again, less of a chance of an error.

For UNE loops, the new loops that come into us, 31 percent or 32 percent of UNE loops a directory listing has to be issued.

Let's talk about flow-through. How much of the resale flows through? About 45 percent flows through. How much of the UNE orders, all UNE including platform UNE? About 53 percent flows through. Therefore, slightly more

Jones meant by proposed.

MS. JONES: I actually would like to know whether it's being reported on. I'm sorry of the use of my words.

JUDGE WEISMANDEL: Do you know? Do any of the witnesses know?

MS. FALCONE: I know. The GE-1 metric is a metric that reports out whether the listing verification report is sent out on time.

JUDGE WEISMANDEL: And is it being included in the ongoing commercial availability reporting and testing that's going on even as we speak?

MS. FALCONE: Yes.

JUDGE WEISMANDEL: Yes, it is?

MS. FALCONE: Yes, it is.

JUDGE WEISMANDEL: Thank you. So it's not proposed.

MS. JONES: Thank you. I'm sorry, Your Honor.

Ms. Falcone, since it appears that you know about this metric, would the supplemental listings that were issued in the 2000 to 2001 directories, would they be captured by this metric?

MS. FALCONE: Yes.

MS. JONES: They would?

MS. FALCONE: Yes.

MS. JONES: And how --

MS. FALCONE: The metric is just a measure of whether

1 the report went out on time.

2 MS. JONES: Okay. So they would be captured in this
3 metric even though the supplement, the one for the
4 Pittsburgh area, went out as late as February 6?

5 MS. FALCONE: Well, no. It's not a listing
6 verification report.

7 MS. JONES: So the metric is just to look at the
8 listing verification report to see if that information is
9 put out within the 30-day window?

10 MS. FALCONE: Yes. Actually, it's not within, it's
11 by a certain date.

12 MS. JONES: By a certain date.

13 MS. FALCONE: Right.

14 MS. MARTIN: How many times in a year does that event
15 occur?

16 MS. FALCONE: We're required to send it out once a
17 year.

18 MS. MARTIN: So it would be once a year we're
19 measuring an event related to White Pages.

20 MS. FALCONE: Yes.

21 MR. LOWE: Could I ask for a clarification? Once a
22 year for each directory; is that correct?

23 MS. SPRIGGS: Yes.

24 MS. FALCONE: Once a year for each directory for each
25 CLEC, for 108 directories, and that's just for Pennsylvania.

1 listing the same; is that correct?

2 MS. WOODS: Yes.

3 MR. HICKS: In your experience, has that always
4 happened that way?

5 MS. WOODS: No, it hasn't.

6 MR. HICKS: Of those that you have in front of you,
7 on either of these lists, these lists that we just shared,
8 how many of those had the instructions: leave the listing
9 alone?

10 MS. WOODS: All of them.

11 MR. HICKS: Let me try that again. I wanted to make
12 sure Verizon heard that as well.

13 Did you hear it, Your Honor?

14 JUDGE WEISMANDEL: They don't seem to be much
15 interested, Mr. Hicks, so why don't you just proceed?

16 MR. HICKS: Okay. I just wanted to make sure that
17 the staff and Your Honor heard that.

18 JUDGE WEISMANDEL: I think you accomplished that.

19 MR. HICKS: All right.

20 For the record, I did indicate that XO Exhibit No. 3
21 contains 86 listings, XO Exhibit No. 4 contains 42 listings,
22 and XO Exhibit No. 5 contains 24 listings, each of which --

23 JUDGE WEISMANDEL: To keep things complete, how many
24 total listings were in those --

25 MR. HICKS: Three books?

1 JUDGE WEISMANDEL: -- three books? I mean by book.
2 Eighty-six -- so we can figure a percentage.

3 MR. HICKS: Ms. Woods, can you share with us your
4 analysis of each of those LVR reports with respect to the
5 types of problems you found? And share with us as well
6 total listings in the book, if you can.

7 MS. WOODS: The Philadelphia LVR report, I had 1,632
8 listings.

9 JUDGE WEISMANDEL: Which one is that?

10 MS. WOODS: Philadelphia.

11 MR. HICKS: Philadelphia relates to XO Exhibit No. 5.

12 JUDGE WEISMANDEL: Thank you.

13 How many, ma'am?

14 MS. WOODS: One thousand six hundred and thirty-two.

15 JUDGE WEISMANDEL: Thank you.

MR. HICKS: Out of it she referred 24 errors.

17 MS. WOODS: Actually, that's 26.

18 MR. HICKS: It's 26? Okay. Your counting is better
19 than mine. Thank you.

20 And the Harrisburg book, which is --

21 MS. WOODS: The Harrisburg directory, I have to be
22 perfectly honest here, this directory doesn't close until
23 tomorrow, so this information is not correct at the moment.
24 It hasn't gone into the TISOC yet.

25 MR. HICKS: When you say not correct, let's be very

clear, you're saying that it hasn't been transmitted or --

MS. WOODS: Exactly. I have not sent this information to Helen Falcone yet.

MR. HICKS: That's a little bit different from not being correct. What you have come up with thus far is what?

MS. WOODS: Out of 1,037 listings, I have found 42 errors.

MR. HICKS: And with respect to the Allentown/Bethlehem book, which is related to XO Exhibit No. 3?

MS. WOODS: I'm sorry; I don't have that completed.

MR. HICKS: That was the first one, actually; that was the first one from which we had 86 --

MS. WOODS: Yes. I just did not have the total count of the listings.

MR. HICKS: You don't have the other analysis.

MS. WOODS: Excuse me one moment.

(Pause.)

MS. WOODS: Two thousand one hundred and five.

MR. HICKS: Two thousand one hundred and five.

JUDGE WEISMANDEL: Thank you.

MR. HICKS: And in that we have the 86 listings.

In your experience, Ms. Woods, does it matter really to the customer, whether or not they're a big customer or a small customer, whether there's one or two errors? Does it really matter from the customer's perspective that they are

1 matter what it would be, do you note that to be corrected or
2 do you make value judgments on the importance of the mistake
3 and sort of skip over ones that you think might not be
4 important?

5 MS. WOODS: Oh, no. I intend to correct very single
6 one.

7 MS. MARTIN: So when you go through, if you notice a
8 mistake, you add it to your report because you like the
9 directory listing to be as accurate as possible?

10 MS. WOODS: Yes.

11 MS. MARTIN: Thanks.

12 JUDGE WEISMANDEL: Mr. McClelland?

13 MR. MCCLELLAND: Thank you, Your Honor. We would ask
14 some questions generally of the witness, and those who have
15 some information, please indicate. I don't want to just
16 single any particular witness out.

17 Do any of the witnesses have any information
18 concerning the Verizon listing accuracy for Verizon's own
19 retail customers?

20 MR. FAWZI: I do not.

21 MR. NOLEN: I do not.

22 MS. WOODS: No.

23 JUDGE WEISMANDEL: Mr. Reeder, you didn't respond.
24 Do you have any information?

25 MR. REEDER: I'm attempting to respond. I believe in

1 an interrogatory presented by CTSI, No. 30, information was
2 provided to us concerning the number of errors reported to
3 VIS for Verizon Retail.

4 MR. McCLELLAND: Do you have that with you?

5 MR. REEDER: I want to make sure that I can present
6 that. I don't know. Michael?

7 MR. DONAHUE: Okay.

8 MR. REEDER: The response was from Mr. Savino.
9 During the year 2000, they had 1,156 directory listing
10 errors reported to VIS.

11 MR. McCLELLAND: Is that out of approximately 4.9
12 million published directory listings?

13 MR. REEDER: Yes.

14 MR. McCLELLAND: Thank you.

15 I think I would direct this to Ms. Woods. I believe
16 you've shown and you've had some exhibits about instances
17 where the I think it's called the retained listing indicator
18 was activated there were errors; is that correct?

19 MS. WOODS: Are you referring to the LACT field,
20 listing activation --

21 MR. McCLELLAND: LACT.

22 MS. WOODS: The listing activity?

23 MR. HICKS: I think he's referring to the reference
24 to retaining the same listing.

25 MS. WOODS: Yes.

1 an interest in developing a metric, would there be like a
2 retail comparison, or if there's a mistake that Verizon
3 makes that's relative to just a Verizon customer, do you
4 just wait until the next year to correct it, or would the
5 policy be to issue a supplement?

6 MS. FALCONE: We normally wait until the next year to
7 correct the listing.

8 MS. MARTIN: Are there any standards at Verizon that
9 identify when you would issue a supplement to correct a
10 mistake and when you would wait until the next year? So for
11 example there was a problem with Hershey and there was a
12 supplement issued. There may have been a problem with some
13 particular numbers, and you're going to wait until next
14 year. Is there a standard that you apply to determine when
15 you're going to issue a supplement?

16 MR. SAVINO: If I'm not mistaken, we went through
17 this line of questioning earlier --

18 JUDGE WEISMANDEL: I believe Ms. Jones asked exactly
19 these questions.

20 MS. MARTIN: You did?

21 MS. JONES: Yes, I did.

22 MS. MARTIN: Okay, thank you.

23 MR. SAVINO: Sorry about that.

24 MS. MARTIN: What was the answer?

25 MS. JONES: No.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Consultative Report on Application of)
Verizon Pennsylvania Inc., for FCC) **Docket M-00001435**
Authorization to Provide In-Region,)
InterLATA Service in Pennsylvania)

**CHECKLIST DECLARATION
ON BEHALF OF VERIZON PENNSYLVANIA INC.**

DECLARANTS:

Donald E. Albert

Sharon R. Cook

Barbara A. Crawford

Susan Fox

Carl R. Huster

Karen Maguire

Claire Beth Nogay

Richard Sampson

Stephen Savino

Alice B. Shocket

Amy Stern

Vincent Woodbury

1 under the heading “Other Local Telephone Companies” (part of the Verizon PA
2 White Page Directory “Customer Guide” pages). An example of a page under the
3 heading “Other Local Telephone Companies” from the Lower Bucks County
4 White Page [Area Code 215/267], September 2000 – September 2001, is attached
5 (Attachment 224).

6 317. Verizon PA is asked to perform four types of activities with respect
7 to CLEC and Resellers’ customers’ White Page listings: (1) to leave the
8 customer’s listing “as is” (unchanged) when a customer changes from Verizon PA
9 to a CLEC; (2) to add a listing; (3) to delete a listing; and (4) to modify a listing.
10 The procedures and controls for each of these four activities are discussed below.

11 318. If a carrier elects to serve a customer through resale or the UNE-
12 Platform, it must submit an order changing the type of service, but there is no
13 physical disconnection of the established Verizon PA service. Unless the carrier
14 asks Verizon PA to change the customer’s listing, there is no need to submit an
15 order modifying or deleting the listings.

16 319. If a Verizon PA customer migrates to a CLEC that has its own
17 switch but uses the customer’s existing loop, Verizon PA must disconnect the
18 customer’s retail service, which automatically creates a listing service order to
19 delete the customer’s directory listing. The directory listing is “restored” by the
20 competing carrier’s loop and number portability order.

21 320. If a CLEC places a “migrate as is” service order with Verizon PA,
22 the CLEC’s customer’s White Page listing remains exactly the same as when



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COMMONWEALTH OF PENNSYLVANIA

PUBLIC UTILITY COMMISSION

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Verizon Pennsylvania Inc. for FCC : M-00001435
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InterLATA Service in Pennsylvania. :
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Pages 1 through 182

Hearing Room 1
 Commonwealth Keystone Building
 Harrisburg, Pennsylvania

Wednesday, March 21, 2001

Met, pursuant to adjournment, at 9:10 a.m.

BEFORE:

WAYNE L. WEISMANDEL, Administrative Law Judge
 MICHAEL C. SCHNIERLE, Administrative Law Judge

APPEARANCES:

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Commonwealth Reporting Company, Inc.

700 Lisburn Road
 Camp Hill, Pennsylvania 17011

1 MR. MONAGLE: What is the process if -- what is your
2 understanding of the process if CTSI identifies an error as
3 a CTSI error? What is supposed to happen?

4 MR. REEDER: My understanding of the process is that
5 we would normally create an LSR or a DSR, whichever would be
6 appropriate, to make the correction, identifying that it was
7 an error, and make a change or a correction to the listing.

8 MR. MONAGLE: To your knowledge, did CTSI submit any
9 DSRs, corrective DSRs, for any of the error listings that
10 are on these documents that were produced in response to
11 discovery?

12 MR. REEDER: No. My understanding is that the
13 practice at that point in time, because you have such a
14 short period of time from the date we receive the LVRs and
15 the actual closing of the directories, that there would not
16 be a reasonable amount of time to present DSRs or LSRs on
17 all of the errors. As in Wyoming Valley, to create a
18 thousand documents in less than 20 workdays would be almost
19 impossible to do, and the practice has been with all the
20 other CLECs that I'm aware of that whenever you get into the
21 directory closing period of time, you communicate it via
22 spreadsheets to facilitate the corrections being made.

23 MR. MONAGLE: Let me step back for a moment. Is it
24 correct that CTSI for Wyoming Valley and for Hazleton
25 received listing verification reports at least 30 business

1 anything else to add to that?

2 MR. KOHLER: Let me say this. Without reading it,
3 I'm not familiar with that passage from the order, but I've
4 got to believe integration goes a lot further than whether
5 the listings are alphabetical and they're in the same book.
6 I mean, that would be sort of a meaningless standard. You
7 know, I think the FCC is going to look at the quality of the
8 service being provided on the wholesale side, and certainly,
9 AT&T's position is that that quality of service isn't going
10 to be adequate until these orders flow through without
11 error. I think the testimony that I've heard today is if
12 the orders do flow through, there likely isn't going to be
13 an error at least on the Verizon side, because you're
14 eliminating the step that creates the error, and that's the
15 human intervention.

16 MR. MONAGLE: I'm sorry. What was that ending?

17 MR. KOHLER: Human intervention.

18 MS. MARTIN: Thank you.

19 MR. SAMUEL: I have a question, just a clarification
20 on Mr. Reeder. Your declaration states a whole lot more
21 errors. Like, for instance, page 2, you're saying like
22 1,004 in the Wyoming Valley directory, 1,004.

23 MR. REEDER: That's correct; 1,004 that were
24 identified.

25 MR. SAMUEL: The statement Verizon just gave, does

1 that state the same information you provide? Did you give
2 the 1,004 error list, because here I see only 188 errors.

3 MR. REEDER: The 1,004 were errors that were
4 identified on the LVR that was provided to us by Verizon
5 prior to directory publication. The 188 errors that are
6 identified in this report are the ones that ultimately still
7 ended up as errors when the directory was printed and
8 distributed. So the 188 were included. They were part of
9 the 1,004 that were identified prior to that.

10 MR. SAMUEL: So would you consider 188 as a better
11 number, you know, in the error -- because, actually, 188 had
12 a problem.

13 MR. REEDER: Well, the 188 are the ones that
14 ultimately appeared or didn't appear in the directory. Now,
15 that does not include any that customers have called us with
16 since that we were unaware of when the directory LVR was
17 provided to us. So, I mean, we're looking at 1,000 errors
18 that were identified, 188 minimum that were not corrected,
19 along with the other ones then that the customers have
20 subsequently contacted us since the directory hit the
21 street.

22 MR. SAMUEL: On the same point, you also said that
23 you expect or anticipate, in your words, like 400 errors, I
24 heard you say, but here it's much less than 400; like 188.

25 MR. REEDER: Right. Yes, we anticipated that there